

1 General Overview

This document is intended to define, as much as possible, the Scope of Work for the SEU Contract Administrator during approximately the first 12 months of the anticipated 48 month contract term.

Due to the nature of the work involved to establish the SEU, there is uncertainty about the details and outcomes of some tasks in the Scope of Work. The tasks, schedule, budget and priorities included in this document reflect a consensus between the CA and the DEO of what is required to successfully establish and launch the SEU at the time of initial contract approval. However, this Scope of Work is not intended to limit the DEO's ability to change the CA's Scope of Work through future contract modifications, whether during or beyond the first 12 months. Future substantive changes in the CA's work scope or contract terms may require contract modifications. Contract modifications would be subject to mutual written agreement between the DEO and CA.

2 Scope of Work

The following Scope of Work is divided into major tasks and subtasks, including deliverables. The Scope of Work focuses on the first 12 months of the contract term. A similar work description will be required for subsequent periods as part of the 48 month contract term.

Each major task includes a description of relevant background and purpose to support the specific tasks and deliverables.

There are nine major tasks:

- Task 1: Financial Model Analysis and Development
- Task 2: Enhanced Low Income Weatherization and Efficiency Program
- Task 3: EnergyStar Residential Appliance Purchase Program
- Task 4: Small Business Efficient Lighting Program
- Task 5: Institutional Sector Shared Savings Program
- Task 6: Initial SEU Marketing
- Task 7: Strategic Market Analysis and Long-Term Program Design
- Task 8: Management Information Systems, IT Support, and Communications
- Task 9: Administrative and Reporting

These tasks are recommended as the core of the CA's work scope during approximately the first 12 months of the contract term. Tasks 1 and 7 are primarily planning activities. Task 1 is intended to define the sources and uses of SEU funding, including bond funding, and to propose appropriate financial models to take advantage of available funding. In Task 7, the CA will develop long-term program designs, marketing and implementation strategies. Program design development and initial implementation will be staged over the first 12 month period with the intent of offering programs for all sectors and fuels. It is expected that these analyses will be updated periodically, although at a lower level of effort, during the rest of the contract term. It is also expected that additional programs will be implemented beyond the first 12 months.

Task 6 is intended to help the SEU establish an identity as soon as possible and to support Tasks 3 and 4 programs through a concentrated marketing effort.

Tasks 3 and 4 are Early Launch (75 days from contract award) programs intended to quickly establish the SEU. Task 2 implementation can start as early as 90 days after contract award, depending on the outcome of discussions with the Office of Community Services. These programs are also intended to compliment the development of broader, long-term programs across all sectors and fuels. Where appropriate, the CA will analyze information collected from the State's weatherization, Energy Answers, and GEF programs to help design and implement these programs. As financial models (Task 1), and additional program designs are developed, Early Launch programs may be altered or incorporated into more comprehensive programs. In all cases, program designs are subject to approval by the SEU Board. Overviews of each program are provided in subsequent sections.

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Tasks 8 and 9 are mainly intended to develop and implement the MIS, administrative and communications functions that the CA will use throughout SEU operations.

2.1 Task 1: Financial Model Analysis and Development

2.1.1 Background and Purpose

The SEU may be funded from several sources:

- Funds remaining from Delaware Energy Answers Program (approximately \$1.4 to \$1.6 million)
- 65% of RGGI auction proceeds (approximately \$5 to \$6 million per year for at least 4 years)
- Sale of special purpose bonds repaid by SEU participants (initial \$30 million bonding authority limit)
- A portion of American Recovery and Reinvestment Act (ARRA) economic stimulus funding

In addition, the SEU may provide incentives, grants and/or financing to participants who also participate in the Delaware Green Energy Fund (GEF). The GEF is currently administered by the Delaware Energy Office as a rebate program. The GEF is supported by electric utility wires charges, and the use of funds is limited by State law. To date, the GEF has provided rebates for customer-sited renewable energy installations. Nearly all of the participants have selected photovoltaics or ground source heat pumps, although other technologies are eligible for rebates, including small-scale wind, solar thermal, and fuel cells using renewable fuels.

Other potential funding sources may include renewable energy and solar renewable energy credit (REC and SREC) sales, “white tag” sales and other similar market-based programs.

The purpose of this task is to determine the appropriate uses of each major funding source. There are currently several assumptions about funding sources that could affect the CA’s work:

- It is anticipated that the remainder of the Delaware Energy Answers Program funds will be used to help support SEU start up.
- In the short term, SEU bond funding will be focused on the Municipal, University, Schools and Hospitals (“MUSH”) sector. In the long term, the goal is to use bonds to support the SEU’s main activities. Designing appropriate funding models that can use bond financing in Task 1 is a high priority.
- The GEF is expected to continue offering rebates, as required by State law, but GEF participants who also participate in the SEU may be able to access additional resources to support energy efficiency and/or additional renewable energy measures that are outside the scope of the GEF rebate programs.
- Once the Federal guidelines are clarified, it is likely that at least some of the ARRA funds will be used for direct grants, rebates, incentives or other uses.

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ARRA funding poses two specific challenges that must be addressed as soon as possible. First, ARRA requires that a large amount of money be spent over a fairly short period. This will require careful oversight and could require significant administrative resources. Second, the short duration of ARRA funding complicates the stated goal of the SEU to be self-sustaining over the long term. Both challenges must be addressed in Task 1.

Since bonds are expected to supply the majority of long-term funding, the CA must work closely with the bond underwriter, bond counsel, and others to define the permissible uses for bond financing. The outcome of the work in this task will have a direct impact on:

- Program design, including goals and priorities
- Program financing models
- Timing of bond sales
- Program launch timing
- Implementation methods
- Integration of the existing GEF into SEU activities

2.1.2 Proposed Tasks

Specific tasks to be performed by CA are:

- Definition of roles and scope of work for the bond underwriter and CA for supporting bond issuance.
- Specific evaluation of how to incorporate Federal funding from ARRA into short-term and long-term operations, subject to ARRA limitations.
- Research, review and evaluate best practices of other state/utility programs in the top 4-6 market sectors. These sectors will be selected by the CA's team in parallel with the market research.
- Review Early Launch programs to insure simplicity
- Review bond underwriting requirements and securitization, including the potential use of RGGI auction proceeds, ARRA funds or other funding sources to securitize bonds
- Determine market funding gaps and inefficiency to insure that the SEU offerings provide real value and make SEU funding programs compelling.
- Model interest rate buy-downs.
- Evaluate best methods to leverage the fund using grants from foundations, reoccurring revenue streams (RGGI carbon allowance auctions and RECs revenue), and any other available funds.
- Determine if utility "on the bill" financing options or municipality billings (Berkeley CA model) are possible
- Determine loss reserves and payment alternatives needed to balance risk based on targeted customer sector
- Research alternative funding sources for energy efficiency and renewable projects that have social merit but do not meet underwriting requirements. This includes foundations willing to work with low income residences.

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- Work with bond counsel and underwriters to clarify details of the use of the bond funds, particularly regarding tax exempt status of the obligations and potential private use issues.
- Define the timing, terms, interest rates, tax status, and other parameters related to bond issuance
- Specific evaluation of MUSH bond financing models, especially the potential use of a participant's bonding authority outside of the SEU
- Specific evaluation of models for using bond funding for "non-MUSH" (residential/commercial/industrial) energy efficiency and renewable energy programs
- Specific comparative analysis of costs and benefits to use of SEU bond financing for efficiency and renewable projects in lieu of direct financing through RGGI, ARRA or other funding streams or through bonding authorities already in place for institutional customers.
- Specific evaluation, after consultation with the DEO on GEF performance, funding availability, and administration combined with evaluation and description of how to integrate the GEF into SEU financing activities and to provide one-stop services to Delaware citizens
- Evaluation and description of the CA's role in aggregating RECs and SRECs

2.1.3 Deliverables

The primary deliverable for this task is a summary report addressing each of the items in 2.1.2 above with recommendations on how to proceed provided to the SEU Board within 90 days after contract execution.

2.2 Task 2: Enhanced Low Income Weatherization and Efficiency Program

2.2.1 Program Description

The Delaware Weatherization Program is administered by the Office of Community Services in the Department of Health and Social Services. Eligibility for services is based on income, which must be at or below 200% of the Federal poverty line. The following points summarize the current program's features:

- The program now serves approximately 500 clients per year.
- Physical units (kWh of electricity, therms of gas, gallons of fuel oil, etc.) are not tracked, although bill savings vary between about 16% and 30%, depending on the measures installed (see next item).
- Traditional weatherization-only measures yield bill savings near the lower end of the range at approximately 16% per household. More comprehensive measures, especially furnace replacements, yield bill savings of approximately 30% per household.
- All participating homes receive a full instrumented energy audit including infrared thermography and blower door tests to help select the best measures for each household.
- The program provides building shell improvements at a minimum.
- In addition to shell improvements, the program may include "enhanced measures" such as CFL lighting, high efficiency refrigerators, and furnace replacements. In some cases, older gas stoves are replaced as a safety measure.
- Delivery of program services is through private installation contractors. These contractors report to two non-profit administrators – Neighborhood House in New Castle County, and First State Community Action Alliance in Kent and Sussex counties.
- Auditing, air sealing, contractor quality assurance, and customer education are provided by Energy Services Group.

In addition to the above services, a pilot program is currently in progress with the non-profit People's Settlement Association in Wilmington to utilize shared savings as a mechanism to fund enhanced measures. This pilot program has nearly 30 participants. Each participant receives a package of conventional weatherization measures paid by weatherization funds. Enhanced measures, such as high efficiency furnaces, worth approximately \$2,700 per household are provided through shared savings and are repaid over 5 years through fuel and electricity savings. People's Settlement Association manages a budget billing program for low income participants

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and provides the interface between customers, fuel oil distributors and utilities. The shared savings model works well in this case because of the involvement of a local non-profit entity willing to handle administrative and accounting functions on behalf of low income customers.

The intent of this program was to launch and gain experience with a program that could increase the number of households who could receive enhanced weatherization measures without additional direct weatherization funding.

Recent funding increases will have a major impact on the weatherization program, including whether to continue the shared savings program in its current form.

Additional Federal funding was recently provided (prior to ARRA) to allow approximately doubling the current weatherization rate. According to the Office of Community Services, the Weatherization Assistance Program could expand annual participation to approximately 1,000 households per year for basic weatherization from about 500. Increased participation is expected to ramp up over two years. Around 200 more households would be weatherized in the first year, with an additional 300 in the second year. Of these, approximately 150 households could be targeted for enhanced measures through shared savings. According to OCS, the primary limitation on doubling the rate of weatherization is funding. Contractor capabilities are not expected to be a constraint, especially if it is phased in over two years.

ARRA recently added approximately \$12 million dollars to weatherization funding for Delaware. The availability of this funding could significantly change the scope of the existing weatherization program, and could potentially affect the timing of an expanded low income shared savings program. Given the uncertainties connected to the increased funding, the primary challenge to the CA is to work with the Office of Community Services to determine the SEU's role, and potential uses of the additional funding.

Depending on the outcome of discussions with OCS, the CA initially proposes to include an enhanced weatherization program using the mechanisms and contractors already in place through the OCS. A key difference is that this enhanced program is expected to be more flexible by permitting greater participation and offering additional measures that would not be allowable under conventional Federal weatherization programs. We propose four potential components for this program to increase access to services for participants above the current income eligibility threshold and to broaden the options available to low income customers:

- Increasing basic weatherization program participation by funding weatherization for participants who do not currently qualify. The Delaware Weatherization Program provides services to households at or below 200% of the Federal poverty line.
- Increase the number of households receiving enhanced measures, and broaden the types of measures that would be eligible.
- Evaluate a shared savings program to fund enhanced measures based on the People's Settlement pilot program for all participants. Discussion with the Office of Community Service indicated that approximately 150 households per year could be eligible for this

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type of program with increases in non-ARRA funding. The anticipated budget for enhanced measures, according to OCS, is based on \$2,700 per participant.

- Although not part of traditional weatherization programs, AEG also proposes to involve TMA Delaware during the initial phases of program design to assess opportunities for extending or enhancing transit incentives to this market sector.

The implementation strategy for this program is to continue using the Office of Community Services and its subcontractors in their current roles. We also anticipate that People's Settlement or similar organizations would be used to manage a shared savings program.

AEG does not propose specific energy targets for these programs at this time. This is because, according to the Office of Community Services, physical unit energy savings are not tracked in the current program. Household energy impacts are expected to be tracked in the future and an initial report concerning the pilot program will help to define baseline and post-installation impacts. In addition, the availability of ARRA funds may change overall program design depending on the exact amounts, timing, and regulations affecting their distribution.

2.2.2 Proposed Tasks

Specific tasks to be performed by CA may include:

- Discussions with Office of Community Services and community action agencies on enhanced weatherization program and role of SEU
- Review amount, timing and regulations affecting ARRA funding
- Develop recommendations to integrate OCS activities with the SEU for low income customers
- Develop program design(s), goals and targets
- Evaluate the program design and financing model used for the current shared savings pilot program operated by People's Settlement, and recommend changes, if necessary
- Develop program participant guidelines (including income eligibility) and qualifying measures list
- Develop administrative rules and oversight procedures
- Develop goals and targets for implementation contractors and CA (as applicable)
- Finalize program budget
- Develop, negotiate and launch implementation contracts. Contractors who currently provide services have already been pre-qualified by the Department of Health and Social Service. AEG does not anticipate the need for a formal RFP process to launch this program.

2.2.3 Deliverables

The primary deliverables are:

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1. An implementation plan summary report addressing each of the items in 2.2.2 above including program design and implementation documents and recommendations for SEU Board approval within 100 days or sooner after contract execution. This deliverable may change in substance and timing, depending on the outcome of discussions with OCS and written approval from DHSS and OCS.
2. Program launch as early as 120 days or sooner after contract execution, pending discussions with OCS and assuming the SEU Board acts within a reasonable amount of time to approve program design.

2.3 Task 3: EnergyStar Appliance Purchase Program

2.3.1 Program Description

AEG proposes to launch an EnergyStar appliance rebate program for retail consumer appliances. The program will be established to provide prescriptive rebates for specific products with pre-defined energy savings. This includes products such as refrigerators, clothes washers, dishwashers and room air conditioners. It does not include appliances that must be installed by qualified contractors such as central air conditioners and furnaces.

AEG developed a preliminary appliance saturation survey to support this program, and has provided a recommended list of appliances that would be eligible for rebates in the table below. For each appliance, we have included estimated participation, energy savings, and proposed rebates. We have assumed a participation rate of approximately 20%.

Energy Star Appliance Purchase Program Estimated Participation, Energy Savings and Rebates						
	New Units Purchased Annually	Program Participants	Per Unit kWh Energy Savings	Total kWh Savings	Rebate per Unit	Total Rebates
Energy Star CFL Fixtures	10,000	2,000	75.0	150,000	\$ 10	\$ 20,000
Clothes Washer	25,000	5,000	25.9	129,400	\$ 75	\$ 375,000
Dehumidifier	5,000	1,000	213.0	213,000	\$ 30	\$ 30,000
Room A/C	19,000	3,800	96.0	364,800	\$ 50	\$ 190,000
Room Air Cleaner	5,000	1,000	268.1	268,050	\$ 25	\$ 25,000
Refrigerator	19,000	3,800	84.0	319,048	\$ 100	\$ 380,000
Televisions	2,500	500	134.0	67,011	\$ 50	\$ 25,000
Total	85,500	17,100		1,511,309		\$ 1,045,000

A preliminary budget for IC set up, processing fees, and rebates is shown below. CA administrative fees are shown in Section 3.0.

Energy Star Appliance Purchase Program 1st Year Budget		
	Per Unit	Total
Delivery Set Up		\$ 10,000
Processing fee per unit	\$ 7.00	\$ 119,700
Rebate		\$ 1,045,000
Total		\$ 1,174,700

The advantages of this type of program are:

- Fast, simple implementation using a third-party implementation contractor
- Definable impacts based on EnergyStar data
- Leverages an existing nationwide program
- Raises significant awareness of the SEU and energy efficiency
- Requires low overhead
- Can be quickly modified to accommodate changes in the market

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- Does not limit participation to residential customers, although we expect that this segment will account for the bulk of the market
- Rebates and processing costs are the majority of the total estimated budget, and are a function of participation. If participation does not meet expectations, the associated costs will be lower.

The CA is willing to accept a preliminary target of 1,500,000 kWh for first-year energy savings based on the preliminary product list. We propose to finalize a target in conjunction with the DEO within the first two weeks after contract award. It is important to note that the savings targets are based on the differences between new EnergyStar and new non-Energy Star appliances. In cases where older appliances are being replaced, such as refrigerators, the savings can be considerably higher. We have not included these savings in our estimate.

The financial model for this program is a straightforward rebate using available funding, subject to review of regulations for use of Federal funds.

2.3.2 Proposed Tasks

Specific tasks to be performed by CA may include:

- Analyze participation data and other information available from the Delaware Energy An\$wers Program related specifically to appliance rebates.
- Develop program implementation plans and documents
- Develop administrative rules and oversight procedures
- Develop goals and targets for implementation contractors and CA
- Finalize program budget
- Develop implementation contractor response package
- Evaluate contractor responses
- Develop, negotiate and launch implementation contracts. A Request for Qualifications rather than a competitive RFP is expected to be used to accelerate program implementation

2.3.3 Deliverables

The primary deliverables are:

1. An RFQ for SEU Board approval ready for release to potential ICs upon contract execution
2. Program launch within 75 days after contract execution

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2.4 Task 4: Small Business Efficient Lighting Program

2.4.1 Program Description

AEG proposes to launch a small business efficient lighting retrofit program. The program will be established to provide prescriptive rebates for common lighting measures used throughout the commercial and industrial sectors. Rebates for T-12 to T8 conversions would be available only for retrofitting existing lighting systems. Lighting measures are intended to be initial offerings for commercial/industrial energy users. This program can be expanded to include HVAC equipment, motors, and other common energy efficiency measures as additional market analysis and planning activities take place.

AEG developed a preliminary estimate of participation, energy savings and rebates shown in the table below. Prescriptive rebates would be offered for each measure implemented.

Small Business Efficient Lighting Program Estimated Participation, Energy Savings and Rebates							
Lighting Measure	Equipment Type	Rebate		kWh Savings per system/units	Systems/Units	Total Rebates \$	Total kWh Savings
T-12 to Standard T-8 Retrofits (lamps)	1 lamp	\$2	per unit	38.0	10,000	\$ 20,000	380,000
T-12 to Standard T-8 Retrofits (ballasts)	1 ballast	\$10	per unit	47.0	3,000	\$ 30,000	141,000
High Performance T8	1 - 2 lamps	\$9	per system	25.0	5,000	\$ 45,000	125,000
High Performance T8	3 - 4 lamps	\$18	per system	50.0	5,000	\$ 90,000	250,000
CFL Fixtures	18w or less	\$8	per fixture	41.9	500	\$ 4,000	20,925
CFL Fixtures	19w to 32w	\$18	per fixture	69.8	500	\$ 9,000	34,875
CFL Fixtures	33w or greater	\$24	per fixture	186.0	500	\$ 12,000	93,000
Pulse Start Metal Halide	300w or less	\$45	per unit	400.0	200	\$ 9,000	80,000
Switch Mounted Sensor		\$12	per unit	200.0	200	\$ 2,400	40,000
Ceiling Mounted Sensor		\$30	per unit	350.0	200	\$ 6,000	70,000
Total					25,100	\$ 227,400	1,234,800

A preliminary budget for IC set up, processing fees, and rebates is shown below. CA administrative fees are shown in Section 3.0.

Small Business Efficient Lighting Program 1st Year Budget		
	Per Unit	Total
Delivery Set Up		\$ 7,500
Processing fee per unit (assumes 700 applications per year)	\$ 15.00	\$ 10,500
Management Fees		\$ 20,000
Rebate		\$ 227,400
Total		\$ 265,400

The advantages of this type of program are:

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- Fast, simple implementation using a third-party implementation contractor
- Lighting accounts for approximately two-thirds of commercial sector electricity consumption, which means that broad participation is possible
- Can be quickly modified to accommodate additional prescriptive measures across most fuels and technologies
- Rebates and processing costs are the majority of the total estimated budget, and are a function of participation. If participation does not meet expectations, the associated costs will be lower.

The CA is willing to accept a preliminary target of 1,200,000 kWh for first-year energy savings based on the preliminary product list. We propose to finalize a target in conjunction with the DEO within the first two weeks after contract award.

2.4.2 Proposed Tasks

Specific tasks to be performed by CA may include:

- Analyze participation data and other information available from the Delaware Energy Answers Program related specifically to lighting rebates.
- Develop program implementation plans and documents
- Develop administrative rules and oversight procedures
- Develop goals and targets for implementation contractors and CA
- Finalize program budget
- Develop implementation contractor response package
- Evaluate contractor responses
- Develop, negotiate and launch implementation contracts. A Request for Qualifications rather than a competitive RFP is expected to be used to accelerate program implementation

2.4.3 Deliverables

The primary deliverables are:

1. An RFQ for SEU Board approval ready for release to potential ICs upon contract execution
2. Program launch within 75 days after contract execution

2.5 Task 5: Institutional Sector Shared Savings Program

2.5.1 Background and Purpose

Bonds are expected to fund the SEU's activities over the long term. However, during the first 12 months of operation, the best initial use of bond funding with the lowest financial risk and the potential for significant savings across all fuels is in the institutional sector.

There are approximately 900 public sector buildings in Delaware, including K through 12 schools, state hospitals, parks and recreation facilities, offices, garages, and others. Other major public sector and institutional energy users include colleges and universities, and major non-state health care facilities. This sector represents a significant opportunity to address energy efficiency and renewable energy in a comprehensive way. Based on national data, these facilities may account for as much as 22 percent of commercial sector energy consumption in Delaware.

The CA will establish a program targeting state, county, municipal and other publicly owned facilities. The program would utilize qualified contractors such as Energy Service Companies (ESCOs) to perform assessments and propose packages of measures to participants. Customer-sited renewable energy projects would be allowed to contribute to overall savings targets.

The CA will screen potential contractors and/or projects through a Request for Qualification (RFQ) process. Contractors and projects meeting the requirements of the RFQ would be allowed to participate. Projects may be aggregated by potential contractors to increase economies of scale. Each qualifying project (or group of aggregated projects) would be tied to an implementation contract.

The contractors will ultimately be responsible for identifying and securing clients, but the SEU will publicize and encourage participation through targeted marketing and communications. Target markets would initially include school districts, counties and municipalities, and State buildings. There would be no restrictions on the types of facilities except that they must be owned by a government or non-profit entity.

Since the amount of SEU financing is expected to be limited initially, the CA may use a phased approach that allows projects to be submitted for review during specific time windows corresponding to available funding. For example, contractors would submit their projects for review during a three month window (or as agreed upon with the SEU Board and DEO). Projects would be evaluated for:

- Assurance of completion
- Financial security
- Technical merit
- Level of savings and cost effectiveness

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- Proposed financing agreement between the contractors and SEU

The CA will review these projects directly and make recommendations to the SEU Board and DEO. Since contractors in this case are providing services directly to end users, project agreements between the SEU and contractors are expected to focus on qualifications, financing, and verification.

Specific savings targets will depend on the amount of initial bond funding and the nature of individual projects, which are unknown. The appropriate time to establish targets is during contract negotiation with the contractors implementing the projects. In all cases, savings must be guaranteed through a performance contract between the end user and the contractor that includes specific monitoring and verification protocols that conform to the International Performance Measurement and Verification Protocol (IPMVP). Achieving targets is therefore a function of individual project management by the contractors, with an appropriate level of contract oversight by the CA.

The financing model for this program would provide funding to supplement or displace conventional shared savings financing. The participating contractors would agree to repay the SEU's investment through shared savings. Sales of green/white tags, renewable energy credits or other similar sources could also be considered as part of the repayment stream to the SEU. It is the intent of the CA to pass potential performance incentives or penalties to the contractors.

To the extent allowable, ARRA funds may be used to supplement SEU bond financing.

2.5.2 Proposed Tasks

Specific tasks to be performed by CA may include:

- Definition of roles and scope of work for The bond underwriter and CA, especially contract development, for supporting bond issuance
- Develop detailed program design and financing models
- Develop program participation guidelines
- Develop administrative rules and oversight procedures
- Develop goals and targets for implementation contractors and CA (as applicable)
- Finalize program budget, including use of ARRA funding
- Develop implementation contractor RFQ. A Request for Qualifications rather than a competitive RFP is expected to be used to accelerate program implementation, especially for projects that may already be in the planning and pre-implementation stages.
- Release RFQ and evaluate RFQ responses
- Develop, negotiate and launch implementation contracts.

2.5.3 Deliverables

The primary deliverables are:

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1. Detailed program design documents for Board approval within 120 days after contract approval.
2. Program launch following SEU Board approval of program design.

2.6 Task 6: Initial SEU Marketing

2.6.1 Background and Purpose

Initial program marketing activities will focus on the following:

- Developing and implementing a marketing plan for the EnergyStar Appliance Purchase Program and Small Business Efficient Lighting Program
- Working with the Office of Community Services to address marketing needs (if any) for the Low Income Enhanced Weatherization and Efficiency Program
- Developing a new name and identity for the SEU
- Creating a foundation for long-term marketing activities
- Developing a long-term marketing approach which defines marketing, education, and outreach activities for the CA and the Implementation Contractors

For most long-term programs, direct marketing activities are expected to be the primary responsibilities of the Implementation Contractors. However, the CA is also expected to play an overall role in coordinating marketing efforts, and in some cases, directly implementing certain education and outreach activities. The Early Launch programs are an exception to this. The CA will develop and implement Early Launch marketing efforts due to the implementation time constraints, particularly for the EnergyStar Appliance Purchase Program and the Small Business Lighting Efficiency Program.

2.6.2 Proposed Tasks

- Evaluation of current marketing programs and available information by DEO for GEF, EnergyStar, Home Performance with EnergyStar, Energy Answers, and SEU. Since there are some marketing efforts already in progress, CA will analyze what has been done recently and is currently being done to market energy efficiency and renewable energy programs in Delaware.
- SEU naming recommendations, including searching registered trademarks and copyrights (within 60 days after contract execution)
- Development of visual/graphic website and preliminary promotional material designs
- Develop and implement Early Launch Marketing for EnergyStar Appliance Purchase Program and Small Business Efficient Lighting Program. Early Launch marketing activities will focus on the EnergyStar Appliance Program, although there is expected to be overlap between this program and other programs that will launch later in the first year of the contract.

2.6.3 Deliverables

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The primary deliverables are:

1. Proposed SEU “brand” within 60 days after contract approval
2. Proposed website and collateral material templates within 60 days after contract approval
3. EnergyStar Appliance Purchase Program and Small Business Efficient Lighting Program marketing plan implementation within 75 days after contract approval

2.7 Task 7: Strategic Market Analysis and Long-Term Program Design

2.7.1 Background and Purpose

Strategic market analysis and program design activities will begin in the first quarter in order to support roll out of additional programs in subsequent quarters. Market analysis and program design activities are expected to continue throughout the first year of the CA's contract.

A Strategic Market Assessment combined with the Financial Model Analysis and Development will provide the information necessary to select programs for further design activities.

The following examples of program designs are provided to illustrate a comprehensive portfolio. Renewable energy programs are expected to be included in the final program suite. However, consideration of renewable energy measures and technologies is expected to be a part of nearly all programs. The intent of this integrated approach is to reduce "lost opportunities" and to help increase acceptance of renewable energy in combination with more conventional energy efficiency measures.

Residential Program Examples

- Appliance Rebate Program
- Residential Lighting
- Residential "Energy Kit" (e.g., CFLs, set back thermostats, low flow shower heads, with or without installation services)
- Residential Central A/C and Heating System Early Replacement
- New Home Construction and Renovation
- Home Performance with EnergyStar
- Enhanced Low Income Weatherization
- Multi-Family Residential
- Residential Renewable Energy
- Zero Energy Homes

Commercial/Industrial Program Examples

- Commercial Audit and Benchmarking Program
- Industrial Assessment Program (enhanced UD IAC program for Delaware)
- Building Operator Certification Training
- Commercial Prescriptive Retrofits (Lighting, HVAC)
- Commercial Custom Retrofits
- Commercial New Construction
- LEED (or similar) Construction and Renovation

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- Segment Marketing and Solutions (marketing and packaging solutions to specific segments e.g., Retail, Food Service, Entertainment and Hospitality, Property Management, Chemicals, Light Manufacturing, etc.)
- Retro-Commissioning
- MUSH Performance Contracting
- “Non-MUSH” Performance Contracting
- Commercial Renewable Energy

Transportation Program Examples

- Transportation Outreach and Education
- Low Income Public Transit Incentive
- C&I Employer Transit, Ride Share, Van Pooling and Alternative Commuting Incentives
- Personal Vehicle Incentive Programs

Specific programs are not defined beyond initial Early Launch programs described above. Early priority has been given to residential programs, followed by small commercial programs.

2.7.2 Proposed Tasks

- Perform market evaluations of Delaware residential, commercial, industrial, and transportation sectors. The goal of this evaluation will be to assess energy efficiency and renewable energy opportunities in each sector, and opportunities to cross between markets.
- Perform market research focused particularly on the residential and small commercial sectors to assess sector needs
- Identify “best practice” types of programs to address the market sectors
- Select programs that work within the framework established by the Financial Model Analysis and Development effort
- Determine proper baseline(s) for evaluating program impacts and participation
- Develop individual program designs to address each sector and fuel

Following an initial analysis of the Delaware market, market segmentation and program planning efforts may address some or all of the following market segments:

- Residential Low Income
- Residential Single Family Retrofits, Renovations, and Upgrades
- Residential New Construction
- Residential Multi-Family
- Manufactured Housing
- Small Commercial Retrofits
- Large Commercial Retrofits
- Commercial New Construction
- Institutional, including, State, County and Municipal Public Sector facilities, Public Schools, Colleges and Universities

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- Non-Profits, Private Schools, Religious
- Small and Medium-Sized Industrial
- Large Industrial
- Agricultural
- Personal transportation
- Public transportation

Multiple implementation contracts are envisioned. RFPs will be developed for programs requiring ICs, and each RFP will be tailored for the type of program. RFPs will be developed with input from the DEO and the SEU Board, and will not be released for bidding until approved. In general, the CA will require at least three qualified bidders for each RFP, although under certain circumstances, this may need to be relaxed or increased. The CA will develop implementation contractor bidding documents for programs that require ICs. The components of each RFP will include:

- Qualifications
- Management Plans
- Marketing
- Project Execution
- Targets and Goals
- Budgeting
- Reporting
- Terms and Conditions, including dispute resolution

2.7.3 Deliverables

Program design deliverables will vary by program, but will typically include:

- Program Description
- Market Analysis
- Participant and Measure Eligibility
- Specific Role(s) of Renewable Energy Technologies and Resources
- Budget and Funding Sources
- Impacts
- Financing and Incentive Mechanisms
- Marketing, Education and Outreach (including cross-marketing)
- Proposed Implementation Methodology
- Proposed IC Quality Assurance Protocol
- Proposed M&V Plan

The intent of these deliverables is to provide the basis for securing Implementation Contracts.

Where market analysis and design activities identify multiple programs, at least one of the programs will be tendered for bids from implementation contractors after approval by the SEU Board. The intent is to begin launching programs on a more or less quarterly basis until all

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sectors and fuels are addressed. The CA expects that additional marketing, program launches, and program modifications will be a normal part of on-going activities beyond the first 12 months of the contract.

2.8 Task 8: Management Information Systems, IT Support, and Communications

2.8.1 Background and Purpose

A comprehensive Management Information System (MIS) is required to administer SEU activities. The MIS will support day-to-day operations and planning activities including:

- Participation, impact and budget management
- Quality assurance reporting
- M&V documentation and support
- Implementation contractor interface for reporting
- Invoicing and payments

However, for the first six months of SEU operation, a comprehensive MIS may not be required. In order to defer expenditures associated with initial MIS development, the CA proposes to use its existing Vision DSM system which is capable of tracking applications, program participation, and impacts. This permits delaying the specification and implementation of the MIS beyond the first six months of the CA contract. This will also allow the SEU to gain some experience with Early Launch programs and Implementation Contractors that will facilitate specification development.

A comprehensive MIS will be required at a point in the future. The system will be specified to be compatible with existing State information systems.

In addition to MIS and Vision DSM activities, the CA will also be responsible for several related IT and communication activities. These include establishing an SEU call center and web site.

2.8.2 Proposed Tasks

- Develop business process flows for Early Launch and long-term programs based on program designs
- Incorporate business process flows and program design features into Vision DSM database as programs are implemented
- Train contractors on Vision DSM usage
- Develop MIS specifications for future development and possible conversion to MS-SQL
- Develop and implement call center plan
- Specify and design the SEU website
- Develop, launch and maintain SEU website

2.8.3 Deliverables

Primary deliverables under this task are the SEU website and call center launch, and MIS specifications. Business process flow designs, Vision DSM implementation and contractor training are program specific.

2.9 Task 9: Administrative and Reporting

2.9.1 Background and Purpose

The purpose of this series of tasks is to establish the CA's infrastructure in Delaware and to begin normal administrative and reporting activities.

As programs are developed, launched and marketed, the CA will be responsible for planning, budgeting and day-to-day program monitoring, including Quality Assurance. The CA expects that comprehensive program reviews will be held on an annual basis as part of the planning process. Additional interim reviews on a quarterly basis are also expected.

During the first 12 months of the CA's contract, it is expected that quarterly reviews will be held as each program design is submitted for DEO review and SEU Board approval.

2.9.2 Proposed Tasks

- Kickoff conference
- Establish internal staffing and resource allocations
- Establish reporting requirements with DEO and SEU Board
- Establish subcontractor agreements
- Establish detailed master schedule
- Monthly, quarterly and annual progress review meetings
- Routine Quality Assurance monitoring for specific programs in accordance with program designs
- Annual planning and budgeting reports

2.9.3 Deliverables

Primary deliverables under this task are routine reports (to be defined by the CA with input from the DEO and SEU Board), and annual planning and budgeting reports. Additional deliverables are the master schedule, subcontractor agreements between CA and supporting contractors, and QA reports as needed for each program. The first annual planning and budgeting report will be delivered no later than 30 days before the end of the first contract year.

3 Administrative Budget

The following tables summarize the CA's estimated budget for the first 12 months of the CA contact. Tasks will be performed by the Contract Administrator and its subcontractors on a time and expense basis. Rates may be subject to change in subsequent years.

Table 1 provides a summary of CA and subcontractor direct labor costs for all tasks, as well as other non-direct labor costs and expenses associated with CA administrative functions. Tables 2 through 10 provide more detailed CA and subcontractor direct labor cost budgets. The following qualifications apply to the budget information provided in Table 1:

- MIS software and hardware have not been included, pending further definition of requirements in Task 7.
- Implementation contractor costs for Tasks 2, 3, 4 and 5 are not included in the CA's budget. For DEO planning purposes, budgetary estimates for implementation contractors are provided for Tasks 3 and 4 in sections 2.3.1 and 2.4.1. Budgetary estimates for Tasks 2 and 5 are not provided.
- Rebates, incentives, grants or other direct payments or financing to participants for Tasks 2, 3, 4, and 5 are not included in the CA's budget. For DEO planning purposes, budgetary estimates for rebates are provided for Tasks 3 and 4 in sections 2.3.1 and 2.4.1. Budgetary estimates for Tasks 2 and 5 are not provided.
- Travel expenses for the CA and its subcontractors will be billed as incurred without mark-up, and will be initially capped at \$10,000 for the first year. The travel cost cap may be adjusted subject to written authorization by the DEO.
- For DEO planning purposes, a quality assurance cost estimate is provided for the first year. QA costs are expected to be incurred as programs are implemented, but detailed QA costs will be developed as part of program planning and design activities. The CA may use internal resources or subcontractors to perform QA functions. QA requirements will vary by program. For appliance programs, QA functions typically include verifying IC paperwork and procedures on a quarterly basis, along with periodic telephone surveys of participants to corroborate paperwork. For prescriptive lighting, QA functions are similar, but typically include on site inspections of a sample of participants. Institutional ESCO programs focus mainly on pre- and post-installation inspections.
- For DEO planning purposes, a budgetary estimate of \$300,000 for direct marketing costs, including radio, television, and print advertising is provided. This estimate is taken from the SEU Task Force Final Report and is subject to change based on additional planning.
- Collateral marketing materials printing and distribution are included in the marketing budget of approximately \$300,000, subject to further definition of programs and

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marketing requirements. Examples of collateral materials include flyers, brochures, retailer displays, signs, and educational materials.

Table 1: First Year Total Estimated Budget

	Task 1: Financial Model Analysis and Developmet	Task 2: Low Income Weatherization and Efficiency Program	Task 3: EnergyStar Appliance Purchase Program	Task 4: Small Business Efficient Lighting Program	Task 5: Public Sector/ Institutional Shared Savings Program	Task 6: Initial SEU Marketing	Task 7: Strategic Market Analysis and Program Design	Task 8: MIS , IT Support and Communications	Task 9: Administrative and Reporting	Total
AEG	\$ 58,800	\$ 43,700	\$ 46,040	\$ 46,040	\$ 195,000	\$ 8,400	\$ 258,800	\$ 259,600	\$ 101,760	\$ 1,018,140
Cadmus	\$ -	\$ -	\$ 22,200	\$ 22,200	\$ -	\$ 177,850	\$ 97,300	\$ -	\$ 3,900	\$ 323,450
Catalyst	\$ 60,000	\$ 12,000	\$ -	\$ -	\$ 48,000	\$ -	\$ 48,000	\$ 20,000	\$ 4,000	\$ 192,000
TMA Delaware	\$ -	\$ 3,227	\$ -	\$ -	\$ -	\$ -	\$ 34,898	\$ 4,066	\$ 3,660	\$ 45,852
Market Research Subcontractors							\$ 180,000			\$ 180,000
Call Center Set-Up								\$ 4,650		\$ 4,650
Web Hosting Fees (Annualized)								\$ 13,200		\$ 13,200
Call Center Charges (Annualized)								\$ 30,000		\$ 30,000
Travel Expenses										\$ 10,000
Quality Assurance			\$ 20,000	\$ 40,000	\$ 40,000					\$ 100,000
Estimated Subtotal	\$ 118,800	\$ 58,927	\$ 88,240	\$ 108,240	\$ 283,000	\$ 186,250	\$ 618,998	\$ 331,516	\$ 113,320	\$ 1,917,292
Marketing										\$ 300,000
Estimated Total	\$ 118,800	\$ 58,927	\$ 88,240	\$ 108,240	\$ 283,000	\$ 186,250	\$ 618,998	\$ 331,516	\$ 113,320	\$ 2,217,292

Table 2: Task 1 First Year Estimated Budget

Task 1: Financial Model Analysis and Development	Hourly Rate	Financial Model Analysis and Development								Total Hours	Total
Applied Energy Group											
Program Director	\$ 210.00	80								80	\$ 16,800
Executive Consultant I	\$ 210.00	200								200	\$ 42,000
IT Program Manager	\$ 190.00									0	\$ -
Executive Consultant II	\$ 190.00									0	\$ -
Network Manager	\$ 145.00									0	\$ -
Sr. Consultant I	\$ 145.00									0	\$ -
Sr. Consultant II	\$ 130.00									0	\$ -
Programmer/Developer	\$ 140.00									0	\$ -
Database Admin/Webmaster	\$ 130.00									0	\$ -
Reporting Specialist	\$ 120.00									0	\$ -
Support Staff	\$ 65.00									0	\$ -
SUBTOTAL - AEG		\$ 58,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	280	\$ 58,800
Cadmus Group										0	\$ -
Principal	\$ 195.00									0	\$ -
Senior Associate	\$ 175.00									0	\$ -
Associate	\$ 140.00									0	\$ -
Analyst	\$ 100.00									0	\$ -
SUBTOTAL - Cadmus		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0	\$ -
Catalyst Financial										0	\$ -
President	\$ 200.00	200								200	\$ 40,000
CEO	\$ 200.00	100								100	\$ 20,000
SUBTOTAL - Catalyst		\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	300	\$ 60,000
TMA Delaware											
Exec. Director	\$ 101.66									0	\$ -
Program Manager	\$ 59.70									0	\$ -
Admin Asst	\$ 46.67									0	\$ -
Advisor (Roger Roy)	\$ 120.65									0	\$ -
SUBTOTAL - TMA Delaware		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0	\$ -
Task Total		\$ 118,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	580	\$ 118,800

Table 3: Task 2 First Year Estimated Budget

Year 1										
Task 2: Low Income Weatherization and Efficiency Program	Hourly Rate	Program Set-up and Admin							Total Hours	Total
Applied Energy Group										
Program Director	\$ 210.00	60							60	\$ 12,600
Executive Consultant I	\$ 210.00								0	\$ -
IT Program Manager	\$ 190.00								0	\$ -
Executive Consultant II	\$ 190.00								0	\$ -
Network Manager	\$ 145.00								0	\$ -
Sr. Consultant I	\$ 145.00	80							80	\$ 11,600
Sr. Consultant II	\$ 130.00	90							90	\$ 11,700
Programmer/Developer	\$ 140.00								0	\$ -
Database Admin/Webmaster	\$ 130.00								0	\$ -
Reporting Specialist	\$ 120.00								0	\$ -
Support Staff	\$ 65.00	120							120	\$ 7,800
SUBTOTAL - AEG		\$ 43,700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	350	\$ 43,700
Cadmus Group									0	\$ -
Principal	\$ 195.00								0	\$ -
Senior Associate	\$ 175.00								0	\$ -
Associate	\$ 140.00								0	\$ -
Analyst	\$ 100.00								0	\$ -
SUBTOTAL - Cadmus		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0	\$ -
									0	\$ -
Catalyst Financial									0	\$ -
President	\$ 200.00	40							40	\$ 8,000
CEO	\$ 200.00	20							20	\$ 4,000
SUBTOTAL - Catalyst		\$ 12,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	60	\$ 12,000
TMA Delaware										
Exec. Director	\$ 101.66	20							20	\$ 2,033
Program Manager	\$ 59.70	20							20	\$ 1,194
Admin Asst	\$ 46.67								0	\$ -
Advisor (Roger Roy)	\$ 120.65								0	\$ -
SUBTOTAL - TMA Delaware		\$ 3,227	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	40	\$ 3,227
Task Total		\$ 58,927	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	450	\$ 58,927

Table 4: Task 3 First Year Estimated Budget

Year 1										
Task 3: EnergyStar Appliance Purchase Program	Hourly Rate	Program Set-up and Admin							Total Hours	Total
Applied Energy Group										
Program Director	\$ 210.00	40							40	\$ 8,400
Executive Consultant I	\$ 210.00	30							30	\$ 6,300
IT Program Manager	\$ 190.00								0	\$ -
Executive Consultant II	\$ 190.00	30							30	\$ 5,700
Network Manager	\$ 145.00								0	\$ -
Sr. Consultant I	\$ 145.00	80							80	\$ 11,600
Sr. Consultant II	\$ 130.00	90							90	\$ 11,700
Programmer/Developer	\$ 140.00								0	\$ -
Database Admin/Webmaster	\$ 130.00								0	\$ -
Reporting Specialist	\$ 120.00								0	\$ -
Support Staff	\$ 65.00	36							36	\$ 2,340
SUBTOTAL - AEG		\$ 46,040	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	306	\$ 46,040
Cadmus Group									0	\$ -
Principal	\$ 195.00	60							60	\$ 11,700
Senior Associate	\$ 175.00	60							60	\$ 10,500
Associate	\$ 140.00								0	\$ -
Analyst	\$ 100.00								0	\$ -
SUBTOTAL - Cadmus		\$ 22,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	120	\$ 22,200
									0	\$ -
Catalyst Financial									0	\$ -
President	\$ 200.00								0	\$ -
CEO	\$ 200.00								0	\$ -
SUBTOTAL - Catalyst		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0	\$ -
TMA Delaware										
Exec. Director										\$ -
Program Manager										\$ -
Admin Asst										\$ -
Advisor (Roger Roy)										\$ -
SUBTOTAL - TMA Delaware		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0	\$ -
Task Total		\$ 68,240	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	426	\$ 68,240

Table 5: Task 4 First Year Estimated Budget

Year 1										
Task 4: Small Business Efficient Lighting Program	Hourly Rate	Program Set-up and Admin							Total Hours	Total
Applied Energy Group										
Program Director	\$ 210.00	40							40	\$ 8,400
Executive Consultant I	\$ 210.00	30							30	\$ 6,300
IT Program Manager	\$ 190.00								0	\$ -
Executive Consultant II	\$ 190.00	30							30	\$ 5,700
Network Manager	\$ 145.00								0	\$ -
Sr. Consultant I	\$ 145.00	80							80	\$ 11,600
Sr. Consultant II	\$ 130.00	90							90	\$ 11,700
Programmer/Developer	\$ 140.00								0	\$ -
Database Admin/Webmaster	\$ 130.00								0	\$ -
Reporting Specialist	\$ 120.00								0	\$ -
Support Staff	\$ 65.00	36							36	\$ 2,340
SUBTOTAL - AEG		\$ 46,040	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	306	\$ 46,040
Cadmus Group									0	\$ -
Principal	\$ 195.00	60							60	\$ 11,700
Senior Associate	\$ 175.00	60							60	\$ 10,500
Associate	\$ 140.00								0	\$ -
Analyst	\$ 100.00								0	\$ -
SUBTOTAL - Cadmus		\$ 22,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	120	\$ 22,200
									0	\$ -
Catalyst Financial									0	\$ -
President	\$ 200.00								0	\$ -
CEO	\$ 200.00								0	\$ -
SUBTOTAL - Catalyst		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0	\$ -
TMA Delaware										
Exec. Director										\$ -
Program Manager										\$ -
Admin Asst										\$ -
Advisor (Roger Roy)										\$ -
SUBTOTAL - TMA Delaware		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0	\$ -
Task Total		\$ 68,240	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	426	\$ 68,240

Table 6: Task 5 First Year Estimated Budget

Year 1										
Task 5: Public Sector/ Institutional Shared Savings Program	Hourly Rate	Program Set-up and Admin	Develop, Evaluate ESCO RFP and Projects						Total Hours	Total
Applied Energy Group										
Program Director	\$ 210.00	140	120						260	\$ 54,600
Executive Consultant I	\$ 210.00	200	160						360	\$ 75,600
IT Program Manager	\$ 190.00								0	\$ -
Executive Consultant II	\$ 190.00	60	40						100	\$ 19,000
Network Manager	\$ 145.00								0	\$ -
Sr. Consultant I	\$ 145.00	80	200						280	\$ 40,600
Sr. Consultant II	\$ 130.00								0	\$ -
Programmer/Developer	\$ 140.00								0	\$ -
Database Admin/Webmaster	\$ 130.00								0	\$ -
Reporting Specialist	\$ 120.00								0	\$ -
Support Staff	\$ 65.00	80							80	\$ 5,200
SUBTOTAL - AEG		\$ 99,600	\$ 95,400	\$ -	\$ -	\$ -	\$ -	\$ -	1,080	\$ 195,000
Cadmus Group									0	\$ -
Principal	\$ 195.00								0	\$ -
Senior Associate	\$ 175.00								0	\$ -
Associate	\$ 140.00								0	\$ -
Analyst	\$ 100.00								0	\$ -
SUBTOTAL - Cadmus		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0	\$ -
									0	\$ -
Catalyst Financial									0	\$ -
President	\$ 200.00	120	40						160	\$ 32,000
CEO	\$ 200.00	80							80	\$ 16,000
SUBTOTAL - Catalyst		\$ 40,000	\$ 8,000	\$ -	\$ -	\$ -	\$ -	\$ -	240	\$ 48,000
TMA Delaware										
Exec. Director	\$ 101.66								0	\$ -
Program Manager	\$ 59.70								0	\$ -
Admin Asst	\$ 46.67								0	\$ -
Advisor (Roger Roy)	\$ 120.65								0	\$ -
SUBTOTAL - TMA Delaware		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0	\$ -
Task Total		\$ 139,600	\$ 103,400	\$ -	\$ -	\$ -	\$ -	\$ -	1,320	\$ 243,000

Table 7: Task 6 First Year Estimated Budget

Year 1										
Task 6: Initial SEU Marketing	Hourly Rate	Initial Program Marketing							Total Hours	Total
Applied Energy Group										
Program Director	\$ 210.00	40							40	\$ 8,400
Executive Consultant I	\$ 210.00								0	\$ -
IT Program Manager	\$ 190.00								0	\$ -
Executive Consultant II	\$ 190.00								0	\$ -
Network Manager	\$ 145.00								0	\$ -
Sr. Consultant I	\$ 145.00								0	\$ -
Sr. Consultant II	\$ 130.00								0	\$ -
Programmer/Developer	\$ 140.00								0	\$ -
Database Admin/Webmaster	\$ 130.00								0	\$ -
Reporting Specialist	\$ 120.00								0	\$ -
Support Staff	\$ 65.00								0	\$ -
SUBTOTAL - AEG		\$ 8,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	40	\$ 8,400
Cadmus Group									0	\$ -
Principal	\$ 195.00	280							280	\$ 54,600
Senior Associate	\$ 175.00	350							350	\$ 61,250
Associate	\$ 140.00	300							300	\$ 42,000
Analyst	\$ 100.00	200							200	\$ 20,000
SUBTOTAL - Cadmus		\$ 177,850	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	1,130	\$ 177,850
									0	\$ -
Catalyst Financial									0	\$ -
President	\$ 200.00								0	\$ -
CEO	\$ 200.00								0	\$ -
SUBTOTAL - Catalyst		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0	\$ -
TMA Delaware										
Exec. Director	\$ 101.66								0	\$ -
Program Manager	\$ 59.70								0	\$ -
Admin Asst	\$ 46.67								0	\$ -
Advisor (Roger Roy)	\$ 120.65								0	\$ -
SUBTOTAL - TMA Delaware		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0	\$ -
Task Total		\$ 186,250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	1,170	\$ 186,250

Table 8: Task 7 First Year Estimated Budget

Year 1										
Task 7: Strategic Market Analysis and Program Design	Hourly Rate	Program Design Development	Market Research	IC RFPs, Selection, Negotiation	Program Design and Technical Manuals				Total Hours	Total
Applied Energy Group										
Program Director	\$ 210.00	60		60	120				240	\$ 50,400
Executive Consultant I	\$ 210.00	80		140	240				460	\$ 96,600
IT Program Manager	\$ 190.00				80				80	\$ 15,200
Executive Consultant II	\$ 190.00	20		40	20				80	\$ 15,200
Network Manager	\$ 145.00								0	\$ -
Sr. Consultant I	\$ 145.00	160	240						400	\$ 58,000
Sr. Consultant II	\$ 130.00	160							160	\$ 20,800
Programmer/Developer	\$ 140.00								0	\$ -
Database Admin/Webmaster	\$ 130.00								0	\$ -
Reporting Specialist	\$ 120.00								0	\$ -
Support Staff	\$ 65.00	40							40	\$ 2,600
SUBTOTAL - AEG		\$ 79,800	\$ 34,800	\$ 49,600	\$ 94,600	\$ -	\$ -	\$ -	1,460	\$ 258,800
Cadmus Group									0	\$ -
Principal	\$ 195.00		120						120	\$ 23,400
Senior Associate	\$ 175.00		260						260	\$ 45,500
Associate	\$ 140.00		60						60	\$ 8,400
Analyst	\$ 100.00		200						200	\$ 20,000
SUBTOTAL - Cadmus		\$ -	\$ 97,300	\$ -	\$ -	\$ -	\$ -	\$ -	640	\$ 97,300
									0	\$ -
Catalyst Financial									0	\$ -
President	\$ 200.00		80	80					160	\$ 32,000
CEO	\$ 200.00		40	40					80	\$ 16,000
SUBTOTAL - Catalyst		\$ -	\$ 24,000	\$ 24,000	\$ -	\$ -	\$ -	\$ -	240	\$ 48,000
TMA Delaware										
Exec. Director	\$ 101.66		40		120				160	\$ 16,266
Program Manager	\$ 59.70		80		120				200	\$ 11,940
Admin Asst	\$ 46.67				40				40	\$ 1,867
Advisor (Roger Roy)	\$ 120.65		20		20				40	\$ 4,826
SUBTOTAL - TMA Delaware		\$ -	\$ 11,255	\$ -	\$ 23,643	\$ -	\$ -	\$ -	440	\$ 34,898
Task Total		\$ 79,800	\$ 167,355	\$ 73,600	\$ 118,243	\$ -	\$ -	\$ -	2,780	\$ 438,998

Table 9: Task 8 First Year Estimated Budget

Year 1										
Task 8: MIS , IT Support and Communications	Hourly Rate	MIS/IT/Telecom Planning; Vision Implementation	Website Hosting and Maintenance	Call Center Staffing					Total Hours	Total
Applied Energy Group										
Program Director	\$ 210.00	80							80	\$ 16,800
Executive Consultant I	\$ 210.00	40							40	\$ 8,400
IT Program Manager	\$ 190.00	360	20						380	\$ 72,200
Executive Consultant II	\$ 190.00								0	\$ -
Network Manager	\$ 145.00	240							240	\$ 34,800
Sr. Consultant I	\$ 145.00								0	\$ -
Sr. Consultant II	\$ 130.00								0	\$ -
Programmer/Developer	\$ 140.00								0	\$ -
Database Admin/Webmaster	\$ 130.00		800						800	\$ 104,000
Reporting Specialist	\$ 120.00								0	\$ -
Support Staff	\$ 65.00			360					360	\$ 23,400
SUBTOTAL - AEG		\$ 128,400	\$ 107,800	\$ 23,400	\$ -	\$ -	\$ -	\$ -	1,900	\$ 259,600
Cadmus Group									0	\$ -
Principal	\$ 195.00								0	\$ -
Senior Associate	\$ 175.00								0	\$ -
Associate	\$ 140.00								0	\$ -
Analyst	\$ 100.00								0	\$ -
SUBTOTAL - Cadmus		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0	\$ -
									0	\$ -
Catalyst Financial									0	\$ -
President	\$ 200.00	60							60	\$ 12,000
CEO	\$ 200.00	40							40	\$ 8,000
SUBTOTAL - Catalyst		\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	100	\$ 20,000
TMA Delaware										
Exec. Director	\$ 101.66	40							40	\$ 4,066
Program Manager	\$ 59.70								0	\$ -
Admin Asst	\$ 46.67								0	\$ -
Advisor (Roger Roy)	\$ 120.65								0	\$ -
SUBTOTAL - TMA Delaware		\$ 4,066	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	40	\$ 4,066
Task Total		\$ 152,466	\$ 107,800	\$ 23,400	\$ -	\$ -	\$ -	\$ -	2,040	\$ 283,666

Table 10: Task 9 First Year Estimated Budget

Year 1										
Task 9: Administrative and Reporting	Hourly Rate	Kickoff Conference	Implement Staffing Plan	Meetings, Reporting, Planning					Total Hours	Total
Applied Energy Group										
Program Director	\$ 210.00	24	80	60					164	\$ 34,440
Executive Consultant I	\$ 210.00	24	40	20					84	\$ 17,640
IT Program Manager	\$ 190.00	24							24	\$ 4,560
Executive Consultant II	\$ 190.00	16	16	40					72	\$ 13,680
Network Manager	\$ 145.00								0	\$ -
Sr. Consultant I	\$ 145.00	40		80					120	\$ 17,400
Sr. Consultant II	\$ 130.00	40							40	\$ 5,200
Programmer/Developer	\$ 140.00								0	\$ -
Database Admin/Webmaster	\$ 130.00								0	\$ -
Reporting Specialist	\$ 120.00								0	\$ -
Support Staff	\$ 65.00	16	20	100					136	\$ 8,840
SUBTOTAL - AEG		\$ 29,720	\$ 29,540	\$ 42,500	\$ -	\$ -	\$ -	\$ -	640	\$ 101,760
Cadmus Group										
Principal	\$ 195.00			20					20	\$ 3,900
Senior Associate	\$ 175.00								0	\$ -
Associate	\$ 140.00								0	\$ -
Analyst	\$ 100.00								0	\$ -
SUBTOTAL - Cadmus		\$ -	\$ -	\$ 3,900	\$ -	\$ -	\$ -	\$ -	20	\$ 3,900
Catalyst Financial										
President	\$ 200.00			20					20	\$ 4,000
CEO	\$ 200.00								0	\$ -
SUBTOTAL - Catalyst		\$ -	\$ -	\$ 4,000	\$ -	\$ -	\$ -	\$ -	20	\$ 4,000
TMA Delaware										
Exec. Director	\$ 101.66	16		20					36	\$ 3,660
Program Manager	\$ 59.70								0	\$ -
Admin Asst	\$ 46.67								0	\$ -
Advisor (Roger Roy)	\$ 120.65								0	\$ -
SUBTOTAL - TMA Delaware		\$ 1,627	\$ -	\$ 2,033	\$ -	\$ -	\$ -	\$ -	36	\$ 3,660
Task Total		\$ 31,347	\$ 29,540	\$ 52,433	\$ -	\$ -	\$ -	\$ -	716	\$ 113,320

4 Schedule

The attached bar chart summarizes the schedule for the first 12 months of SEU CA activities. The schedule assumes the following:

- The CA will be allowed to issues RFQs for the EnergyStar Appliance Purchase Program and the Small Business Efficient Lighting Program upon contract award.
- The Enhanced Low Income Weatherization Program could be ready for launch within 120 days or sooner after contract award pending the outcome of discussions with the OCS, and written approval of DHSS and OCS.
- The Fiscal Agent, or an alternative interim agent, must be ready to process CA invoices within 30 days after contract award.
- Program designs presented in this Scope of Work for the EnergyStar Appliance Purchase Program and the Small Business Efficient Lighting Program will be approved upon contract award.
- The SEU Board will make approvals within the time frames shown in the schedule.